

July 15, 2014

United States Bankruptcy Court
Eastern District of Michigan, Southern Division
231 West Lafayette Street
Detroit, Michigan 48226

FILED
2014 JUL 15 P
U.S. BANKRUPTCY COURT
E.D. MICHIGAN-DEI

Hon. Steven W. Rhodes, Presiding Judge

Re: Objection to Plan of Adjustment: City of Detroit, Michigan under Chapter 9, Case No. 13-53846

May it please the Court:

This comes in response to the filing of the so-called, "Fourth Plan of Adjustment", filed by the City of Detroit, Michigan, on or about April 29, 2014, in the above-captioned case before your court, under chapter 9, of title 11 of the United States Code (the "Bankruptcy Code"), in the United States Bankruptcy Court for the Eastern District of Michigan, Southern Division (the "Bankruptcy Court").

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I, William C. Walton, having been identified as a Creditor of the City of Detroit, as a retired Supervising Building Inspector, having served the City for 32 years, thus earning a full service retirement with full benefits, which went into effect on October 27, 2012, do hereby file my objection to this so-called, "Fourth Plan of Adjustment" by the City of Detroit and beg the Court to reject said plan as unconscionable, for the reasons listed herein:

1. In retirement, I now gross about \$29,950.00 per year in pension. When I retired, on October 27, 2012, I was told by managers and employees of the General Retirement System, that after I received and liquidated my first pension payment, that my pension was "fixed", "Locked-in" and "Set in Stone" and that it could not be modified subsequent to that point. On more than one occasion, the City's so-called Emergency Manager has said that the pensions and benefits earned by Detroit Retirees were "Sacrosanct" and protected by the Constitution of the State of Michigan which the Governor of the State of Michigan swore, in his oath of office, to uphold and protect. However, this case must be seen by this 13-53846-tjt Doc 6116 Filed 07/15/14 Entered 07/17/14 16:34:24 Page 1 of 5

Honorable Court as quite the opposite of that oath, that is, as an attack on the Constitution of the State of Michigan by the Governor of the State of Michigan, through his appointee, the So-called Emergency Manager of the City of Detroit. It is my opinion that he should be Impeached for his treasonous attempt to abrogate the Michigan Constitution through this action in this Court.

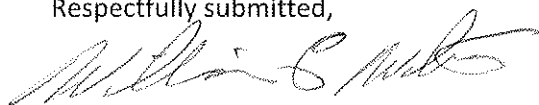
2. My hand was forced in my decision to retire, in October of 2012 at age 57, because the Bing Administration threatened to take away the payment of any portion of my unused sick time from me, if I remained in my position after a date certain. Prior to the threat, my intention was to remain employed by the City and to elevate myself through education and preparation, into a position at a senior management level. In pursuit of this plan, I obtained a BFA degree in Visual Communication and a MBA in Project Management, assuming the risk that I would be able to absorb the costs of those two educational programs, totaling \$125,000.00, and paying them off over the time I planned to remain with the City, through increased salary and responsibilities until my planned retirement at age 65 or beyond despite the loss of tuition assistance, another benefit conceded by city employees.
3. As an historical perspective, throughout my career, it seems as if I was constantly as the precipice of change as the City attempted to remedy the racist nature of its employment policies of the past. After being hired by the City Engineering Department, a predominantly white organization, under then Mayor Coleman A. Young's exercise of Affirmative Action, I was soon made a political football, by suffering layoffs on two occasions, which coincidentally fell along racial lines. Upon returning to City employment, I was again later faced with concessions in pay through the implementation of Days Off Without Pay (DOWOP Days) by Mayor Young in his final term as Mayor. City employees have suffered losses in equitable quality of life through imposed wage freezes and concessions, furloughs and other measures taken by the City due its leadership's failure to assure that its tax base would remain financially viable, by at least retaining residency requirements for its municipal employees. In the 1990's under the Archer Administration, when the so-called "Residency Rule" was lost, I could have left the City and would have received a tax benefit of a municipal income tax cut. However, I remained a loyal resident, property owner, taxpayer and inhabitant of the City of the Detroit, and remain so today. Approving this so-called "Fourth Plan of Adjustment" in my opinion, would have a "domino-like" effect of causing future such

filings by other cities, like Chicago and Los Angeles, with National implications. Remember, Federal, State and Municipal Judges are public employees all of whom are entitled to receive the Public Pensions that they have earned through their years of service, just like me. What makes their pensions different from mine in the context of this type of action?

4. This so-called "Plan of Adjustment" is unconscionable for me because it proposes a 20% cut to my pension *in addition to* the cuts to my healthcare benefits that I'm already experiencing, which I have earned and I did not work all of my adult life to wind up on public assistance or reliant on "Charities" for my support. Further, a Plan which calls for "charities", which can be given *or taken away at will*, to pay for any portion of public pensions protected under the Constitution of the State of Michigan (MCL ARTICLE IX, Sec. 24), is flawed in its conception and should be rejected as unconscionable because the assumptions are something less than believable, in my opinion. I, for one, don't believe that my life and the livelihood I have earned should be left to the whims of these unknown charitable donors. Further, the permanent removal of Cost of Living Adjustments, further reduces the effective value retirees' pensions over time in an inverse proportion to the Cost of Living adjustment that is being lost, into perpetuity, so the diagram that was included with the voting package was very misleading, in that the correct view of that flat line effectively bends down in an inverse proportion to the cost of living curve shown. So, there is really no safeguard against poverty for many retirees, many of whom are too old and or too infirmed to return to the workforce. This plan seems to be coldly calculated on the actuarially accelerated demise of retirees. As a case in point, making health care more expensive for retirees with incomes diminished under this plan, forces retirees to make choices between maintaining their health and other needs. This is especially true for diabetics and those with other life-threatening infirmities requiring some rather expensive routine care. Therefore, someone among the lawyers and actuaries sitting around a table in a room, probably in the Book Cadillac hotel, decided that attacking retiree's OPEB would precipitate a benefit of reducing the numbers of retirees, by forcing them to making these choices. I am a diabetic and having had to make such choices since my health care was terminated by the Emergency Manager, I feel that my life is currently being threatened by this action by Governor Snyder and his appointee Kevyn Orr. So my appeal to your superior judgment for me, is an act of self defense.

5. A better plan would be to simply deny this highly expensive and highly marketed action and compel the State of Michigan to guarantee any temporary shortfall not covered by its distressed political subdivisions, such as the City of Detroit, as it is currently required to do under its Constitution, (MCL ARTICLE IX, Sec. 24). The State of Michigan has not declared Bankruptcy and, in fact, currently possesses a large revenue surplus; probably because the current Administration may have failed to do everything that it is constitutionally bound to do in many areas of governance. Instead, the Governor of our Great State has, through his Appointee Mr. Orr used your esteemed Court, to attack the very Constitution that he took an oath to uphold and protect, at great expense to the very City he's allegedly trying to save. I am aware that the many attorneys working for the law firms employed by the Emergency Manager, including his former firm, are billing between \$465 and \$1065 per hour for this exercise, and their clerical staff man hours are being billed at around \$265 per hour. To put this in perspective, 2.5 billable hours for one of the top earning attorneys on this case, pays my current gross pension for one month. There is no telling of what the promotion of a positive vote for this plan in the Press has cost, but I have a feeling that Fox 2's Charlie Langton wasn't cheap! I also feel that the vote count is suspect, because people who originally voted "No" were afforded second and third ballots in order to coerce a positive vote, but the same opportunity was not afforded for those who originally voted "Yes", to change their vote. Bullying and scare tactics were also employed on a very vulnerable population by the most powerful people in the State, in order to influence the vote.
6. So here I am (again) Your Honor, the People, of which, by which and for which this Federal Government stands, pleading with you that any loss of the retirement income and/or benefits *which I have earned* would cause me and my family serious and irreparable financial harm. Because I'm over 50 years of age, employment opportunities are not so plentiful in this area that I can readily resume my career. Therefore, it is my hope that my objection finds favor with the Court and you will reject and disallow as unconscionable, any Plan of Adjustment which fails to make retirees whole for the pensions and benefits that they have earned for their service to the citizens of the City of Detroit.
- Thank you for your time and please remember that your public pension may also be affected in the future by a precedent you may set in affirming this action.

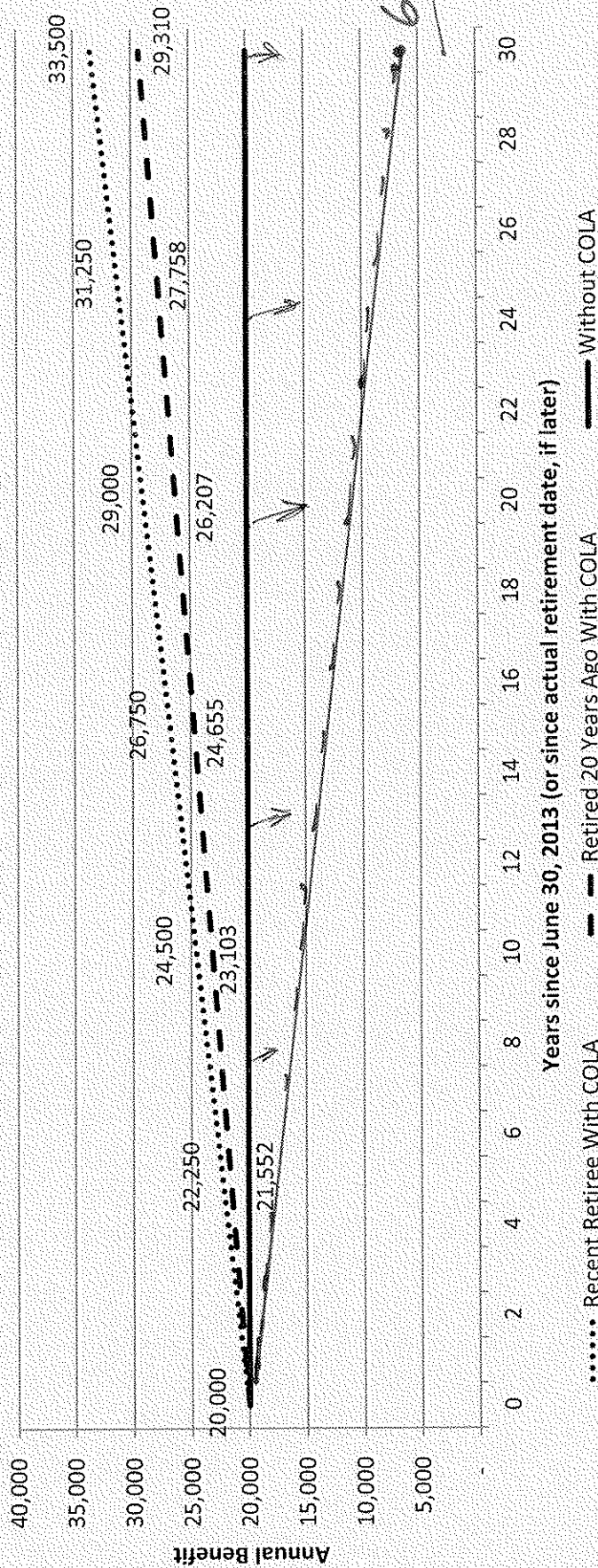
Respectfully submitted,



William C. Walton

Supervising Building Inspector, City of Detroit, Retired

General Retirement System



Amounts shown are illustrations only. The average annual benefit as of June 30, 2013 for all participants in pay status is approximately \$20,000. The impact of lost COLA to you personally depends on your actual pension and retirement date.

EFFECTIVE VALUE OF PENSION WITHOUT COLA